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The following examples (in which the italics are the reviewer's) illustrate the language of the volume at its worst:

This [referring to a law enacted in Massachusetts in 1837] may be considered as the first of the unearned premium laws, that is, a setting aside of a part of the premiums in a reserve fund [p. 19].

The schedule of rates is difficult to understand by the property owner [p. 75].

So far as the actual work of the best *brokers* is concerned, *his services* to the insured are not greatly different from *that* of the agent. But *their* relation to the company is different [p. 77].

Exception may also be taken to the statement (p. 154) that "it is a general principle of all insurance that the insured should in no manner gain from the insurance contract." The author intends here of course to emphasize the indemnity principle in fire insurance, but it is hardly necessary in furtherance of this purpose to deprive the insured of all incentive to buy insurance.

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Foreign Exchange Explained. By FRANKLIN T. ESCHER. New York: Macmillan, 1917. Pp. 219. \$1.25.

Foreign Exchange Explained was written "to supply the need for a book from which, without too great effort, the student, the business man, and the banker could get a working knowledge of the subject. . . . To set down, not a mass of figures and calculations of interest only to the exchange expert, obsolete as soon as compiled, but rather a clean-cut, definite description of foreign exchange and of the underlying and unchanging principles on which it works—that has been the author's aim" (Preface, p. v). So far as purpose is concerned, then, *Foreign Exchange Explained* has a mission not essentially different from its predecessor, *The Elements of Foreign Exchange* (1910). This earlier work also was written, quoting from the Preface, "to cover the ground of foreign exchange, but in such a way as to make the subject interesting and its treatment readable and comprehensible to the man without technical knowledge."

In fact, upon examination this recent work proves to be a reorganization, a reworking, and an elaboration of the earlier publication. Some

valuable chapters on "Banker's Loret Bills" and "Import and Export Credits, Dollar Credits, and Dollar Drafts" have been added, but otherwise the subject-matter is identical with that of the earlier book in its main outlines. The sequence, however, has been materially altered and in all cases treated in greater detail. An outline of the principal monetary systems of the world and information as to the conversion of the units of one system into another are given in an appendix of thirty-five pages.

Such a restatement of the principles of foreign exchange is no doubt desirable. The earlier book was much too brief, too elementary, perhaps, even for "the student, the business man, and the banker." On the other hand the works of Margraff and Goschen are much too technical and involved for these classes of readers. It is not at all certain, however, that Mr. Escher's book fills this gap satisfactorily. The banker regards foreign exchange primarily as an investment procedure, while the business man looks upon it mainly as an instrument for the settlement of obligations. Hence the probable result of any treatise which undertakes to meet both points of view is either a confusing rather than an illuminating treatment, or else a superficial one.

In his attempt to keep the book "free of academic discussion" the author has treated controverted subjects so summarily as to give the impression that they are of no consequence. This is especially true of his discussion of gold movements (chap. viii). If balances *are* settled in gold, surely this is a fact of significance to the banker; if they are settled eventually by shipments of merchandise, the business man is certainly interested if not involved. Neither the banker nor the business man would therefore be satisfied with the author's discussion of this point, for neither's question is answered, even qualifiedly. And as for the student who must take both points of view into account, such a treatment of the subject is likely to appear superficial. The reviewer is of the opinion, therefore, that a thorough and scientific analysis of the subject in hand, even for the classes of persons to whom this book is addressed, would require a separate and perhaps a less informal treatment of the subject for each point of view taken.

By virtue of the clarity and directness of his style, however, the author has done much to compensate for the defect which is so evident throughout the volume.

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